Alberta
ENERGY

Petroleum Plaza – North Tower
9945 – 108 Street
Edmonton, Alberta
Canada T5K 2G6

06-08

GAS ROYALTY CALCULATION INFORMATION BULLETIN
August 2006

A. PRICING RATES AND TRANSPORTATION INFORMATION
Pricing, Royalty Rates and Transportation Information – June 2006 2

B. NOTICES
Current RMF2 Listing Report 2
Changes to the UOCR Estimates 2

C. MONTHLY INFORMATION
June 2006 Royalty Due September 30 3
July 2006 VA4 Due September 15 3
July 2006 Production Reporting 3
Interest Rate August 2006 3
May Provisional Assessment Charge 4
May Penalty Charges 4
Alberta Royalty Tax Credit Program Quarterly Rate 4
Gas Royalty Calculation Support 4

D. INFRASTRUCTURE DATA CHANGES
Client ID Listing 5
Projects/Blocks 5
Client Status Changes 5
Nova Tolls – Multiple Gas Reference Prices 6

E. REMINDERS
Alberta Natural Gas Royalty Guidelines – July 2006 Edition Now Available 6
Royalty Exemption Statement 7
Retirement Amounts Claimed on AC2 Forms 7
2006 Annual Allowable Cost Estimates (Custom Processing Allowance and Capital Cost Allowance) 7
Provincial Average Corporate Effective Royalty Rate (CERR) 8
Royalty Deposit Adjustment 8
Operating Costs Subject to Recapture 8

F. POINTS OF CONTACT
Petroleum Registry of Alberta 9
Alberta Energy Internet 9
Gas Royalty Client Services 9
Reference Prices and Valuation Allowances Calculation Information 10
Calgary Information Centre 10
Alberta Royalty Tax Credit Information 10

PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT.

A. PRICING RATES AND TRANSPORTATION INFORMATION

For Pricing, Royalty Rates and Transportation Information for June 2006, refer to Attachments 1, 1A, 2, 2A, and 3.

B. NOTICES

Current RMF2 Listing Report

The August 2006 invoice package will include a Current RMF2 Listing report issued only once to royalty clients who are assignors on the RMF2 form. In the future royalty clients may request an updated report as required, by contacting their Gas Royalty Client Services portfolio representative.

The Current RMF2 Listing report identifies the royalty clients' active RMF2s currently in our system, including the ones with an effective date range in an open year. Please see Attachment 5 for a sample of this report.

If an RMF2 is no longer required for a stream ID, the assignor must submit an RMF2 form to terminate the reassignment of volumes. If you have any questions, please contact your Gas Royalty Client Services portfolio representative, as identified in *Section F* of this bulletin.

Changes to the UOCR Estimates

To avoid huge swings in the annual adjustment of estimated operating costs to actual operating costs, facility operators currently can request a change to their estimated processing rate for new non-designated facilities.

Effective September 2006, EUB facility operators may apply through a written request to the department for a change to a facility's estimated UOCR. This new process applies to any component for Designated and non-Designated facilities whose rate is based on actual operating costs reported on the AC4. In other words, any estimated component rate for a designated facility can be changed, but only the estimated processing rate for a non-designated facility can be changed as their gathering and compression rates are derived from the operating cost survey and promoted through annual change factors.

The EUB facility operator must provide the following information to determine an estimated component (processing, gathering, compression) rate, effective for the entire rate year (Feb to Feb exclusive):

EUB Facility ID;

- Operator name and ID;
- Estimated operating cost amount ($) for each component;
- Estimated energy adjusted gas equivalent (EAGE) volumes;
- Production year.

For more information, please contact your applicable Gas Royalty Client Services portfolio representative as identified in Section F of this bulletin.

C. MONTHLY INFORMATION

June 2006 Royalty Due September 30

- **Royalty clients are to remit the total amount payable shown on the September 2006 Statement of Account by September 30, 2006.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.

- **The September 2006 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your June 2006 Invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**

- Current period interest will not be charged on current invoice charges for the production month of June 2006 if it is paid in full by September 30, 2006.

- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

  Note: If the due date falls on a non-business day, the next business day will apply as the due date.

- Cheques are payable to the Minister of Finance, Province of Alberta.

July 2006 VA4 Due September 15

The VA4 forms for the production month of July 2006 are due in the department offices by September 15, 2006.

Note: If the due date (15th) falls on a non-business day, the next business day will apply as the due date for VA4 forms.

July 2006 Production Reporting

July 2006 production reporting is submitted through the Registry. The deadline for submission of SAF, OAF, and Volumetrics is posted in the Petroleum Registry of Alberta website "Calendar" under Bulletin Board.

Changes to this calendar will be posted on the Registry web site home page in "Broadcast Messages."

Interest Rate August 2006

Alberta Energy's interest rate for August 2006 is 7.00%.

May Provisional Assessment Charge

The summary of Provisional Assessment Charges for all production periods in the May 2006 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessments	Net Provisional Assessment
$7,688,050.49	($6,529,831.80)	$1,158,218.69

May Penalty Charges

The revised penalty table below shows at the form level, the total penalty charges and reversals, for the May 2006 billing period:

FORM	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2006/05
AC2	$10,800	($1,000)	$9,800
AC4	$0	$0	$0
AC5	$4,900	($100)	$4,800
GR2	$0	$0	$0
NGL1	$1,000	$0	$1,000
VA2	$0	$0	$0
VA3	$0	$0	$0
VA4	$200	$0	$200
Total	**$16,900**	**($1,100)**	**$15,800**

Alberta Royalty Tax Credit Program Quarterly Rate

For the third quarter of 2006, commencing July 1, 2006, the royalty tax credit rate will be .2500. This rate is based on a royalty tax credit reference price of $511.17 per cubic metre. The Alberta Royalty Tax Credit rates for the past year were:

Second Quarter, 2006	.2500
First Quarter, 2006	.2500
Fourth Quarter, 2005	.2500
Third Quarter, 2005	.2500

If you have any questions, please contact Alberta Finance, Information Services at (780) 427-3044. [Toll-free long distance is (780) 310-000-427-3044].

Gas Royalty Calculation Support

Gas Royalty Calculation staff will be available monthly to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to call Richard Stokl, Manager, Client Services (780-422-9258) or e-mail richard.stokl@gov.ab.ca two business days before the meeting date to arrange an appointment. The September through November schedule is as follows:

Where:
AMEC Place
Room 437, 801-6 Avenue SW
Calgary, Alberta
Phone: 403-297-8954
(Industry must go to the 3rd Floor Reception upon arrival to sign-in and be given a visitor tag)

When – 10 am to 3 pm
September 21, 2006
October 19, 2006
November 23, 2006

D. INFRASTRUCTURE DATA CHANGES

Client ID Listing

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:

http://www.petroleumregistry.gov.ab.ca

The department reminds Business Associates to review their WIO role to ensure the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO role start date with no end date, then that BA can receive allocations from the stated start date forward.
- If a BA has a WIO role start and end date, then they can only receive allocations from the stated start date until the end date. Any allocations after the end date will be rejected.
- If a BA does not have a WIO role start date, then that BA cannot receive allocations at all.

Please contact Client Registry at (780) 422-1395 if you have any questions regarding the information supplied on this listing.

Projects/Blocks

If information is required on Projects or Blocks, please contact Isabelle Warwa at (780) 427-8952.

Client Status Changes

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at (780) 422-1395.

The following is a list of struck, cancelled, revived, and dissolved clients:

Company Name	**Client ID**	**Struck Date**
Sand Exploration Ltd.	0KH6	July 2, 2006
Onward Energy Inc.	0TA2	July 2, 2006
Saratoga Energy Corp.	A1R0	July 2, 2006
Compliance 1st Inc.	0B0J	July 2, 2006
Drillsearch Energy N.L.	0PF3	July 2, 2006
Joule Resources Inc.	0MW8	July 2, 2006
Haworth, Ltd.	A0LM	July 2, 2006
Company Name	**Client ID**	**Cancelled Date**
Qwest Energy Corp.	A079	July 2, 2006
Company Name	**Client ID**	**Revived Date**
Malco Development Corp.	0T2X	July 12, 2006
EECL Resources Ltd.	0NY8	July 26, 2006
Saratoga Energy Corp.	A1R0	July 26, 2006
Company Name	**Client ID**	**Dissolved Date**
Oban Energy Ltd.	A20W	July 11, 2006
1180651 Alberta Ltd.	A1JK	July 6, 2006
Warrior Energy Corporation	0F2D	July 31, 2006

Nova Tolls - Multiple Gas Reference Prices

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under Facility Royalty Trigger Factors and Meter Station Ties.

E. REMINDERS

Alberta Natural Gas Royalty Guidelines - July 2006 Edition Now Available

The latest edition of the Alberta Natural Gas Royalty Guidelines, July 2006, with current updates for major changes in legislation and policy is now available.

The July 2006 edition is effective for October 2002 production periods forward. The September 2001 edition is still applicable for periods prior to October 2002.

The Guidelines may be printed from the department's Internet site located at:
www.energy.gov.ab.ca

Please refer to the June 2006 supplement information bulletin 06-06A for more information.

If you have any questions, please contact Shellie Duiker at (780) 422-8083.

Royalty Exemption Statement

The Royalty Exemption Statement included in the March 2006 Crown Royalty invoice issued in May 2006 contained the following problems:

- PDF file format font was incorrect because all columns of the report were not being displayed or printed.
- CSV file format had duplicate headers for two columns which shifted data into incorrect fields.
- Condensate summary dollars did not match the detailed lines of condensate taken because pre-2002 data was not included.

The first two formatting items were corrected and the changes were reflected in the April 2006 invoice issued in June 2006.

The condensate summary information was reflected in the May 2006 invoice issued in July 2006. As a result, the following headers and column along with their data in the Royalty Exemption Statement have been eliminated as they relate to royalty programs no longer in effect:

Royalty Exemption Information Summary Data

- Eligible Periods Header and Data
- Total Periods Taken Header and Data
- Remaining Periods Header and Data

Total Well Detail Information

- Exemption Periods Taken Column and Data

Should there be any concerns or questions about the above changes, please contact Tracy Wadson, Royalty Programs at (780) 422-9240.

Retirement Amounts Claimed on AC2 Forms

Clients are reminded when filing an AC2 form for a facility cost centre (FCC) that the retirement amount claimed on the AC2 cannot exceed the allowable capital cost (opening) balance at the FCC. In addition, if the facility cost centre has been fully depreciated, retirement amounts may not be claimed.

If you have any questions, please contact your Gas Royalty Client Services portfolio representative as identified in Section F of this bulletin.

2006 Annual Allowable Cost Estimates (Capital Cost Allowance and Custom Processing Allowance)

For the January through March 2006 billing periods, royalty clients received monthly cost deductions that were calculated by using their 2005 Estimated Allowable Costs, multiplied by their 2004 Corporate Effective Royalty Rate (CERR), divided by 12 (months).

The information in the 2005 AC2, AC3, and AC5 documents was used to calculate the 2005 Actual Capital Cost and Custom Processing Allowances. This calculation was reflected in the April 2006 Initial Annual Billing Period (IABP) invoice, issued in June 2006.

The 2005 Actual Allowable Costs became the royalty client's 2006 Allowable Cost Estimates.

Commencing with the April 2006 billing period, royalty clients will receive monthly deductions based on their calculated 2006 Allowable Cost Estimates, multiplied by their new 2005 CERR, minus the total deductions received in the January, February and March 2006 billing period invoices, divided by the months remaining in the year (i.e. 9 months as of the April billing period).

To adjust the 2006 Allowable Cost Estimates, please submit a written request, accompanied by supporting documentation, to Client Services.

Examples when an adjustment may be required are as follows:

- A royalty client's business in a year changes significantly so that the Crown share of Capital Cost Allowance and/or Custom Processing Allowance from the preceding year are no longer applicable, or
- The AC2, AC3, and AC5 documents were not submitted in time for them to be processed in the 2005 IABP.

Provincial Average Corporate Effective Royalty Rate (CERR)

The Provincial Average CERR is initially assigned to each new royalty client to estimate the Crown's share of allowable costs. Each June, during the Initial Annual Billing Period (IABP), the estimated CERR is recalculated and the actual Crown share of allowable costs is determined using the client's actual calculated CERR.

The Provincial Average CERR for the 2006 production year is 0.1996828.

Royalty Deposit Adjustment

The royalty deposit recalculation for 2006 is the lesser of 1/6 of a client's net royalty for 2005 including condensate and the amount determined by multiplying the current deposit maintained by the client by a price factor. The factor of (1.30) was calculated by dividing the current year long-term gas reference price for 2006 ($6.50) by the long-term gas reference price used in the 2005 ($5.00) calculation. Refer to Chapter VII, Section 1.5 of the Alberta Natural Gas Royalty Guidelines for additional information. Refer to Attachment 4 for a sample of the Royalty Deposit Adjustment report which includes a new column for condensate. If you have any questions, please contact Shellie Duiker at (780) 422-8083.

Operating Costs Subject to Recapture

The Operating Costs Subject to Recapture report for the 2005 production year was issued in the April 2006 invoice in the June 2006 calendar month. Operating costs are recaptured from a royalty client who has volumes at a facility where they have no capital ownership (as identified on the AC1, AC2 or AC3 submission) and no reported custom processing fees. A royalty client who is not an owner at a facility is not entitled to the operating cost they received on a monthly basis. The operating costs subject to recapture will be charged in the August 2006 billing period invoice issued in October 2006.

F. POINTS OF CONTACT

Petroleum Registry of Alberta

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry. To contact the Petroleum Registry of Alberta Service Desk call: 1-800-992-1144.

Alberta Energy Internet

Prices, Royalty Rates, and Transportation Information are available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "About Natural Gas", "Prices", "Alberta Natural Gas Reference Price (ARP)".

In addition, both the Gas Royalty Calculation Information Bulletins and Information Letters are also available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "Legislation, Guidelines & Policies".

Gas Royalty Client Services

The Gas Royalty Client Services is structured as a Business Associate client portfolio system, which assigns a given Business Associate to one of four Client Service teams. Listed below is the portfolio breakdown along with Client Service Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the "Gas Company" you would call C – G team at (780) 644-1202.

Business Associate	Phone Number and E-mail Address	Team Lead
Numbered companies, A, B & L	(780) 644-1201 GRCST1@gov.ab.ca	Mary Spearing
C – G	(780) 644-1202 GRCST2@gov.ab.ca	Lily Hiew
H – P (excluding L)	(780) 644-1203 GRCST3@gov.ab.ca	Chris Nixon
Q – Z	(780) 644-1204 GRCST4@gov.ab.ca	Kamal Rajendra

Gas Royalty Reception: (780) 427-2962
Fax: (780) 427-3334 or (780) 422-8732
Alberta Toll Free: (780) 310-0000
Hours of operation are 8:15 a.m. to 4:30 p.m.
Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the "Supra" business associate, or Royalty payer.

Below are some guidelines for clients who are unsure which Client Services Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the "Supra" business associate (Royalty Payer).
   i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Client Services regarding business for ABC Oil and Gas you would call Team 4 (Q-Z) (780-644-1204) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.

2. **Asset Purchase** - Call the team responsible for your company.
   i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Client Services regarding business for 123 Gas you would call Team 1 (# Co., A, B, & L) (780-644-1201) because you have only purchased assets. You would not be entitled to information regarding business for TSP Exploration that is prior to the asset purchase.

3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client's company.
   i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 3 (H-P excluding L) (780-644-1203) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized to access information for their company.

Reference Prices and Valuation Allowances Calculation Information

Gas Royalty Valuation and Markets
300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-5514
Fax (403) 297-5400

Calgary Information Centre

300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-6324
Fax (403) 297-8954

Alberta Royalty Tax Credit Information

Alberta Finance, Tax and Revenue Administration
Tax Services
Telephone: (780) 427-3044
Alberta Toll Free: (780) 310-0000
Fax: (780) 427-5074
For further information, please contact Tax Services at (780) 427-9425.

Deen Khan
Director, Gas Royalty Calculation
Gas Development

Attachments

2006 GAS AND ISC PRICES

MONTH	Gas Reference Price ($/GJ)	Methane ISC Reference Price ($/GJ)	Methane ISC Par Price ($/GJ)	Ethane ISC Reference Price ($/GJ)	Propane ISC Reference Price ($/GJ)	Butanes ISC Reference Price ($/GJ)	Pentanes plus ISC Reference Price ($/GJ)
JAN	9.52	9.56	9.56	9.33	9.11	9.10	9.14
FEB	7.38	7.36	7.36	7.58	7.58	7.58	7.59
MAR	6.47	6.46	6.46	6.67	6.71	6.74	6.76
APR	6.18	6.17	6.17	6.31	6.31	6.36	6.36
MAY	5.71	5.70	5.70	5.77	5.74	5.76	5.77
JUN	5.29	5.26	5.26	5.57	5.64	5.67	5.70
JUL							
AUG							
SEPT							
OCT							
NOV							
DEC							

Natural Gas and NGLs Select Prices for 2006

Commodity	2006
New Methane	1.419 $/GJ
Old Methane	0.418 $/GJ
New Ethane	1.419 $/GJ
Old Ethane	0.418 $/GJ
Propane	1.419 $/GJ
Butanes	1.419 $/GJ
Pentanes plus	50.73 $/m3

Royalty Factors for Pentanes plus

	Base	Marginal
New Pentanes	22	35
Old Pentanes	22	50

DETAIL OF THE JUNE 2006 GAS AND ISC REFERENCE PRICES

	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC
Weighted Average Price of Alberta	5.509	5.484	5.677	5.701	5.711	5.713
Deductions: Intra – Alberta Transportation	0.223	0.238	0.136	0.095	0.074	0.056
Marketing Allowance	0.012	0.012	0.012	0.012	0.012	0.012
Price Before Pipeline Factor	5.273	5.234	5.529	5.594	5.625	5.645
Pipeline Fuel/Loss Factor	0.991	0.991	0.991	0.991	0.991	0.991
Price before Special Adjustment	5.227	5.188	5.481	5.545	5.576	5.596
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Price before 2% amendment limitation or rounding	5.227	5.188	5.481	5.545	5.576	5.596
Amendments: Carry forward (from previous RP month)	-0.005	0.004	-0.002	-0.005	-0.004	0.003
Prior Period Amendment Adjustment (current RP month)	0.069	0.067	0.094	0.102	0.102	0.102
Calculated RP after Amendments	5.291	5.259	5.573	5.642	5.674	5.701
JUNE 2006 Reference Price	**5.29**	**5.26**	**5.57**	**5.64**	**5.67**	**5.70**
Difference = value carried forward to next RP month	0.001	-0.001	0.003	0.002	0.004	0.001
Adjusted IATD (before Prior Period Amendments)	n/a	0.236	0.135	0.095	0.073	0.056
Prior period Amendments (IATD and Pipeline Fuel Loss)	n/a	0.000	0.000	0.000	0.000	0.000
Adjusted IATD (after Prior Period Amendments)	n/a	0.236	0.135	0.095	0.073	0.056

2005 Weighted Average Reference Price ($/GJ)
7.935

2005 Weighted Average OMAC ($/GJ)
0.023

2006
NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price ($/GJ)	Ethane Par Price ($/GJ)	Propane Reference Price ($/m3)	Propane Par Price ($/GJ)	Propane Floor Price ($/m3)	Butanes Reference Price ($/m3)	Butanes Par Price ($/GJ)	Butanes Floor Price ($/m3)	Pentanes plus Reference Price ($/m3)	Pentanes plus Par Price ($/m3)	Sulphur Default Price ($ per tonne)
JAN	9.33	9.33	289.22	9.11	240.07	394.52	9.10	329.84	484.39	477.02	27.53
FEB	7.58	7.58	248.16	7.58	213.28	370.63	7.58	279.57	468.40	441.89	29.48
MAR	6.67	6.67	254.40	6.71	213.86	362.89	6.74	272.66	468.85	457.27	31.39
APR	6.31	6.31	286.26	6.31	248.88	390.67	6.36	290.57	545.33	524.82	25.41
MAY	5.77	5.77	279.81	5.74	247.11	376.44	5.76	283.32	529.03	507.26	24.31
JUN	5.57	5.57	287.72	5.64	258.60	377.94	5.67	295.08	557.91	516.67	21.78
JUL											
AUG											
SEPT											
OCT											
NOV											
DEC											

ANNUAL SULPHUR DEFAULT PRICE				
2001	2002	2003	2004	2005
$0.28	$6.74	$30.97	$31.98	$33.98

2006
NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANES (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	-0.90	13.92	10.05	18.08	18.72	-1.58	-33.18	-18.57	17.78	14.75	35.26	16.39	15.50
FEB	24.88	25.25	34.62	26.47	10.17	-2.24	-57.23	-19.17	18.42	13.68	31.79	18.91	15.50
MAR	14.23	10.00	32.47	4.43	12.33	6.56	3.05	-2.25	20.08	16.58	22.76	19.67	15.50
APR	16.82	16.81	36.92	26.20	8.13	4.05	4.42	3.86	18.80	24.73	22.81	27.82	15.50
MAY	21.44	17.83	34.47	26.88	7.50	0.28	-5.71	1.91	17.91	17.74	17.30	23.36	15.50
JUN	43.47	23.21	58.72	48.53	11.04	8.25	3.62	3.89	39.43	25.73	31.26	24.21	15.50
JUL													
AUG													
SEPT													
OCT													
NOV													
DEC													

(a) Pentanes Plus obtained as a specification gas product,
(b) Propane and Butanes obtained as specification products, and
(c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

* Current month calculated allowance is based on an estimate.

Note: For details on "Prior Period Amendment Effects", see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS

NGL REFERENCE PRICES	JUNE 2006		
	Propane	*Butanes*	*Pentanes*
Price before amendments	287.715693	377.939865	557.902840
Opening Rollover (from prior business mth)	0.004367	-0.004780	0.002898
Prior Period Amendment Adj. (NGL-1)	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000
Published Reference Price	**287.72**	**377.94**	**557.91**

TRANSPORTATION ALLOWANCES	JUNE 2006											
	Pentanes Plus				Propane and Butanes				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.002540	-0.002188	0.004140	-0.000927	0.002644	-0.002200	0.000602	-0.003542	-0.004295	0.000648	0.000074	0.000581
Prior Period Amendment Adj. (NGL1)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	-0.033094	0.000000	0.000000	-0.010124	5.027646	0.000000	0.000000	-0.016187	0.000000	0.000000	0.000000
Total Amendment Effect	0.002540	-0.035282	0.004140	-0.000927	-0.007480	5.025446	0.000602	-0.003542	-0.020482	0.000648	0.000074	0.000581
Calculated Transp. Differential	43.471164	23.243749	58.714905	48.531979	11.049510	3.229144	3.618670	3.893753	39.452297	25.730143	31.262563	24.206959
Calculated Transp. Differential after Total Amendments	43.473704	23.208467	58.719045	48.531052	11.042030	8.254590	3.619272	3.890211	39.431815	25.730791	31.262637	24.207540
Published Transportation Allowance	**43.47**	**23.21**	**58.72**	**48.53**	**11.04**	**8.25**	**3.62**	**3.89**	**39.43**	**25.73**	**31.26**	**24.21**

*Any estimates represented by (*) are calculated as the weighted average of the other regions for the same spec product transportation allowance, since the region is zero. The weightings are based on the previous year's production.

2006
ROYALTY RATES

MONTH	METHANE-OLD (% per GJ)	METHANE-NEW (% per GJ)	ETHANE - OLD (% per GJ)	ETHANE - NEW (% per GJ)	PROPANE (% per m^3)	BUTANES (% per m^3)	PENTANES – OLD (POL) (% per m^3)	PENTANES - NEW (PNE) (% per m^3)
JAN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.02226	33.61748
FEB	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.78553	33.50757
MAR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.89365	33.55777
APR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.29347	33.74340
MAY	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.19978	33.69990
JUN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.25078	33.72358
JUL								
AUG								
SEPT								
OCT								
NOV								
DEC								

ROYALTY DEPOSIT ADJUSTMENT

Invoice #:00000042724

Issue Date: 1999-06-30
Royalty Client: 00X1
Name: DUMMY ENERGY RESOURCES LIMITED
Production Period: 1998

Royalty Payer Code: 0XX1
Name: SUMMY ENERGY RESOURCES LIMITED
Address: NORTHERN TOWER
1115 5 AVE SW
CALGARY AB T2X 2R5

DEPOSIT ADJUSTMENT		
New Deposit ($)	Prior Year Deposit ($)	Deposit Adjustment ($)
7,715,052.17	8,153,120.15	-438,067.98

ROYALTY DEPOSIT USING 1/6 CALCULATION		
PRIOR YEAR		
Annual Net Royalty ($)	Months Invoiced	New Deposit ($)
46,290,313.04	12	7,715,052.17

ROYALTY DEPOSIT USING FACTOR CALCULATION		
Prior Year Deposit ($)	Factor	Calculated Deposit ($)
8,153,120.15	1.09	8,886,900.96

NET ROYALTY CALCULATIONS ($)

Crown Royalty	Condensate Royalty	Monthly Proprietary Waiver	Annual Co-gen Contract Adjustment	Annual Operating Cost Adjustment	Injection Credit	Monthly CC Deduction	Monthly CP Fee Deduction	Annual CC Adjustment	Annual CP Fee Adjustment	Royalty Paid Bank Settlement	Monthly Allowable Cost Restriction	Annual Allowable Cost Restrict'n Adj
Royalty Client: 0099 DUMMY PETROLEUM LIMITED												
0.00	0.00	0.00	0.00	-2,260,491.84	0.00	0.00	0.00	0.00	0.00	23,666,632.78	0.00	0.00
										Annual Net Royalty:		-21,406,140.94
Royalty Client: 0X39 GEORGE'S BAY OIL AND GAS COMPANY												
0.00	0.00	0.00	0.00	-13,000.43	0.00	0.00	0.00	0.00	0.00	258,322.43	0.00	0.00
										Annual Net Royalty:		-245,322.00
Royalty Client: 039X AMEESA CANADA PETROLEUM COMPANY LTD												
70,915,542.57	5,250.36	0.00	0.00	2,667,272.90	0.00	287,540.80	0.00	-1,361.03	0.00	25,564.28	0.00	0.00
										Annual Net Royalty:		67,941,775.98
Royalty Client: 0XD7 NONEXISTANT RESOURCES LIMITED												
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
										Annual Net Royalty:		0.00
ROYALTY PAYER TOTAL												
70,915,542.57	5,250.37	0.00	0.00	393,780.63	0.00	287,540.80	0.00	-1,361.04	0.00	23,950,519.49	0.00	0.00
										Annual Net Royalty:		46,290,313.04

********** End of Report **********

Reference Number: 226718

Alberta
ENERGY

CURRENT RMF2 LISTING

Invoice #:00000043170

Issue Date: 2006-06-30
Royalty Client: 0AA0
Name: NONAME OIL COMPANY

Royalty Payer: 0AA0
Name: NONAME OIL COMPANY
Address: PO BOX 1234 STN Q
CALGARY AB T2T 5N2
CA

Stream	Effective Date	Term Date	Last Used	Assignee		Percentage
AB IS 12345	2004-01		2005-11	0AA0	NONAME OIL COMPANY	51.0000000
				0BB0	BIG OIL AND GAS COMPANY	49.0000000
AB UN 12345	2004-01		2006-03	0AA0	NONAME OIL COMPANY	75.0000000
				0BB0	BIG OIL AND GAS COMPANY	25.0000000
AB WG 123456	2004-01	2006-05	2006-02	0AA0	NONAME OIL COMPANY	75.0000000
				0BB0	BIG OIL AND GAS COMPANY	25.0000000
AB WI 102060401401W400	2004-01		2005-11	0AA0	NONAME OIL COMPANY	51.0000000
				0BB0	BIG OIL AND GAS COMPANY	49.0000000

******* End Of Report *******